



STATE OF ARKANSAS
**Department of Finance
and Administration**
www.arkansas.gov

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NEWS RELEASE

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AMERICAN RED CROSS PURCHASES EXEMPT FROM SALES TAX

For Immediate Release

September 13, 2005

The Arkansas Department of Finance and Administration confirms the tax exempt status of purchases made with Red Cross assistance cards and vouchers by Hurricane Katrina victims and evacuees. Purchases made with the following types of payment are exempt from state and local sales tax: Red Cross Client Assistance Cards, Red Cross Debit Cards, and Red Cross Vouchers.

Retailers should keep photocopies of vouchers or cards to substantiate the exempt status of their sale to the Red Cross on behalf of the individual. Retailers accepting Red Cross cards and vouchers in combination with cash or personal credit or debit cards for a purchase should collect sales tax on the amount of the purchase that was paid for with personal funds but not on the amount paid for with the Red Cross card or voucher.

Anyone with questions concerning this matter should contact Tom Atchley, Excise Tax Administrator at (501) 682-7200.